

Chair Boyle called the regularly scheduled meeting to order at 10:04 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, and Vap present and Commissioner Landis excused at the beginning of the meeting but later participating.

GENERAL ADMINISTRATION

Notice was duly published December 2, 2003, on Page 8 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held December 9, 2003, at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

Wednesday, December 10, 2003:

- NUSF-33 Commission Hearing Room, Lincoln. The Commission, on its
11:00 own motion, seeking to investigate the audit requirements
 related to the Nebraska Universal Service Fund. Commis-
 sioner Vap chairing.
- C-3031 Commission Hearing Room, Lincoln. WWC License, LLC, a
2:00 subsidiary of Western Wireless, d/b/a/CellularOne, Issa-
 quah, Washington, seeking approval of its Advertising plan
 for Measure Usage Universal Service offerings in the state
 of Nebraska. Commissioner Landis chairing.

COMMUNICATIONS DEPARTMENT

- C-2290 In the Matter of the Commission, on its own motion, seeking
NUSF-22 to investigate and seek comment on methodologies for the
 following tasks for rural companies: (1) determining a
 permanent funding mechanism for Nebraska Universal Service Fund (NUSF)
 support; (2) determining deaveraged zones for NUSF support; (3) evalu-
 ating adjustments to access rates after evaluating adjustments to
 access rates after the NUSF transition period is complete; and (4)
 ensuring that interconnection agreements contain at least three geo-
 graphic rate zones for unbundled network elements (UNEs) on a state-
 wide basis: An order was entered to close the docket. Motion made by
 Commissioner Lowell Johnson, seconded by Commissioner Jerry Vap.
 Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod
 Johnson, Jerry Vap voting AYE, Commissioner Frank Landis Absent Not
 Voting.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3046 In the Matter of the Joint Application of NUI Capital Corp. and Telecom Acquisition Company, LLC, both of Bedminster, New Jersey, seeking authority for approval of a proposed transfer of control of NUI Telecom, Inc., of Bedminster, New Jersey: An order was entered to grant the application. Motion made by Commissioner Lowell Johnson, seconded by Commissioner Jerry Vap. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Jerry Vap voting AYE, Commissioner Frank Landis Absent Not Voting.

Don Gray gave a report on the Batch Hot Cut Forum he recently attended in Denver, Colorado.

Gene Hand advised the Commission that a demonstration of a new format for competitive local exchange carrier information that could be made available on the PSC website will be held on Tuesday, December 9, 2003, at 3:00 p.m. in the Commission Hearing Room, Lincoln.

UNIVERSAL SERVICE FUND

NUSF-21 In the Matter of the Commission, on its own motion, seeking to conduct an investigation into the provisioning of access to advanced services: Order was entered closing the investigation. Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Jerry Vap voting AYE, Commissioner Frank Landis Absent Not Voting.

NUSF-22/ C-2290 In the Matter of the Commission, on its own motion, seeking to investigate and seek comment on methodologies for the following tasks for rural companies: 1) determining a permanent funding mechanism for Nebraska Universal Service Fund (NUSF) support; 2) determining deaveraged zones for NUSF support; 3) evaluating adjustments to access rates after the NUSF transition period is complete; and 4) ensuring that at least three geographic rate zones are developed for unbundled network elements (UNE-s) on a statewide basis: Order was entered closing the investigation. See Communications Department docket for resolution.

NUSF-37.7 In the Matter of the Complaint of Jeffrey L. Pursley, Director, Nebraska Universal Service Department, Nebraska Public Service Commission, Complainant, vs. Continental Paging, Respondent: Order was entered dismissing the complaint. Motion made by Commissioner Jerry Vap, seconded by Commissioner Lowell Johnson. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Jerry Vap voting AYE, Commissioner Frank Landis Absent Not Voting.

UNIVERSAL SERVICE FUND (Cont.)

Jeff Pursley reported that due to the holidays, TracFone has requested an extension of time to answer the complaint filed in NUSF-38/911-008/DC-65, to January 31, 2004. The Commission approved the extension request.

E911 DEPARTMENT

Laura Demman provided an update of implementations in Nebraska. Nextel Partners has completed testing for Washington, Dodge, Sarpy and Douglas Counties and has successfully deployed Phase I service for those counties. Antelope County has implemented Phase I wireless E911 for Western Wireless.

NATURAL GAS AND WATER DEPARTMENT

NG-0001 In the Matter of Aquila, Inc., d/b/a Aquila Networks
NG-0002 (Aquila), Omaha, seeking a general rate increase for
NG-0003 Aquila's Rate Area One, Rate Area Two and Rate Area
 Three. Upon agreement of all Commissioners present, the
proposed assessment order was entered for HSD-004.

NG-0012 In the Matter of The Public Alliance for Community Energy
 (ACE), Lincoln, seeking authority for a Competitive Natural
Gas Provider Certificate in the state of Nebraska: An order was
entered by Hearing Officer Jerry Vap on December 3, 2003, to provide a
timeline for this proceeding. A hearing was scheduled for January 13,
2004, at 1:30 p.m. in the Commission Hearing Room, Lincoln.

In the Matter of Northwestern Corporation bankruptcy, Laura Demman reported that staff has coordinated with the Attorney General's office in order for the Commission to enter an appearance in the bankruptcy proceeding. Necessary filings were prepared by the Attorney General's office and mailed to the bankruptcy court in Delaware on December 8, 2003.

In the Matter of natural gas consumer complaints and inquiries, Laura Demman reported that Rose Price has processed 15 complaints/inquiries in the past 30 days: ten were billing questions or concerns, two were for disconnection, one was a reported leak, and two were regarding service. In total, 14 of the complaints or inquiries were made by Aquila customers and one was made by a Kinder Morgan customer.

LEGISLATIVE REPORT

Commissioner Boyle expressed concern about potential raids of NUSF funds.

RULES AND REGULATIONS

Rule and In the Matter of the Commission, on its own motion, seeking
Regulation to amend Title 291, Chapter 13, Modular Housing Unit Con-
#156 struction Rules and Regulations, by creation of an ad hoc
committee and to adopt rules in accordance with current
construction codes: A hearing was set for January 21, 2004, at 1:30
p.m. in the Commission Hearing Room, Lincoln.

Rule and In the Matter of the Commission, on its own motion, seeking
Regulation to amend Title 291, Chapter 8, Grain Warehouse Rules and
#158 and Regulations, to adopt rules in accordance with Nebraska
Legislative Bill 735 [2003]: Andy Pollock updated the
Commission on the status of this rules.

TRANSPORTATION DEPARTMENT

B-1615 In the Matter of Terry Lee Blakey, dba Need A Lift Transpor-
tation, Omaha, seeking authority as a common carrier of
passengers in open class service by van between points in Cass, Doug-
las, Sarpy and Washington counties over irregular routes. To include
the transportation of Health and Human Services clients and their
subcontractors thereof: The Commission was informed that a criminal
background check had not been completed.

B-1441 In the Matter of R & F Hobbies, Inc., Ravenna, seeking to
Supp. 3 acquire, through transfer, the authority granted to
Rolland G. Gressley, dba Aquila Limo Service, in Certificate
B-1432: A hearing was set for January 22, 2004, at 9:00 a.m. in the
Commission Library, Lincoln. Commissioner Vap will preside as Hearing
Officer.

B-1642 In the Matter of A-1 Transportation LLC, Lincoln, seeking
to acquire, through transfer, the authority granted to A-1
Ambassador Limousine, Inc., dba A-1 Special Services in Certificate B-
1594: A video hearing was set for January 5, 2004, at 11:00 a.m. in
the Commission Library, Lincoln; and Nebraska State Office Building,
Room 207, 2nd Floor, 1313 Farnam, Omaha. Commissioner Boyle will
preside as Hearing Officer.

B-1643 In the Matter of A-1 Limousine Services, LLC, Lincoln, seek-
ing to acquire, through transfer, the authority granted to
A-1 Ambassador Limousine, Inc., dba Ambassador Limousine, in Certifi-
cate B-1469: A video hearing was set for January 5, 2004, at 10:00
a.m. in the Commission Library; and Nebraska State Office Building,
Room 207, 2nd Floor, 1313 Farnam, Omaha. Commissioner Boyle will
preside as Hearing Officer.

TRANSPORTATION DEPARTMENT (Cont.)

MCC-3151 In the Matter of Andy Pollock, Director, Motor Transportation Department vs. Mike's Moving: The hearing previously set for December 17, 2003, was continued to January 29, 2004, at 10:00 a.m. in the Commission Hearing Room, Lincoln. Commissioner Boyle will preside as Hearing Officer.

Bob Harrison updated the Commission on informal complaints.

John Schmidt relayed information to the Commission regarding open dockets.

Rate Division

LR-243 In the Matter of Top Star Services, LLC, Weeping Water, seeking authority to amend its limousine rates as follows: Upon agreement of all Commissioners present, the application was granted.

MR-1009/ In the Matter of the Commissioner, on its own motion, initiating an investigation on range uniformity in the Official PI-70 Intracity Household Goods Tariff 22, and to develop procedures for efficiently processing household goods mover tariff amendments: Upon agreement of all Commissioners present, an order was entered seeking comments.

MR-930 In the Matter of Movers and Warehouse Division, Nebraska Motor Carriers Association, Lincoln, seeking authority to establish a fuel surcharge in Nebraska Official Household Goods Tariff 7-E: The fuel surcharge was retained at 12 cents per mile, and the taxi surcharge was retained at 20 cents per mile.

GENERAL ADMINISTRATION

The Commission approved the following invoices:

DAS - Risk Management	\$ 628.32
Kelly Services	686.88
Kelly Services	532.00
Kelly Services	354.38
Robert Bowman	652.65
Donald CJ Gray	314.72
Miles Halcomb	592.12
Jim Hames	265.73
Fred Massing	619.29
Kent Pribyl	419.72

NEBRASKA EQUIPMENT DISTRIBUTION PROGRAM

A.G.N. Sales	322.55
Aksarben TDD Service	2,416.10
Associated Hearing Health Care	641.20

GENERAL ADMINISTRATION (Cont.)

Audiology Services & HAC, PC	\$ 487.75
Bosler Hearing Aid Center	164.00
Dynavox Systems LLC	1,320.00
Carl A. Johnson	1,374.35
Hamilton Telecommunications	469.80
Harris Communications	208.20
Hearing Aid Specialists	1,000.00
K-D Communications	3,828.60
Professional Hearing Aid Services	1,144.85
R and J Enterprises	1,415.38
Sherard Hearing Aid Center	377.00
Teltex	1,062.55
Hearing Clinic Inc	310.00

Upon agreement of all Commissioners present, Commission minutes for October, 2003, were approved.

Upon agreement of all Commissioners present, authorization was granted for Commissioner Boyle to attend the Progress and Freedom Foundation meeting to be held in Washington, DC from December 4-5, 2003, with most expenses to be paid by The Progress and Freedom Foundation.

Upon agreement of all Commissioners present, authorization was granted for Commissioner Boyle to attend meetings of the North American Numbering Council (NANC) to be held in Washington, DC, in January, March, May, July, September and November, 2004.

Upon agreement of all Commissioners present, authorization was granted for Commissioners to attend the Mid-America Regulatory Conference (MARC) winter meeting to be held in San Antonio, Texas, from January 8-11, 2004, with most expenses to be paid by MARC.

Ray Lineweber addressed the Commission regarding fatigue and helper locomotives.

Commissioner Landis entered the Commission Hearing Room.

Commissioner Vap moved that the Commission go into closed session to discuss investigative and personnel matters and Commissioner Lowell Johnson seconded the motion. Upon agreement of all Commissioners, the Commission went into closed session at 10:45 a.m.

Commissioner Vap moved that the Commission return to open session and Commissioner Landis seconded the motion. Upon agreement of all Commissioners, the Commission returned to open session at 11:30 a.m.

Upon agreement of all Commissioners, authorization was granted to adjust the hours of an employee in the Grain Warehouse Department.

GENERAL ADMINISTRATION (Cont.)

Upon agreement of all Commissioners, the resignation of John Schmidt was accepted.

Upon agreement of all Commissioners, approval was granted to offer Laura Demman the director position in the Natural Gas Department.

Upon agreement of all Commissioners, approval was granted to open the position of legal counsel to replace Laura Demman.

The meeting adjourned at 11:38 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present. The next regularly scheduled meeting will be held on December 16, 2003, at 10:00 a.m. with an agenda to be available in the office of the Executive Director at 10:00 a.m. on December 15, 2003.

Chair

Executive Director